

GOURLEY TOWNSHIP
(menominee)
Financial Report
with Supplemental Information
Prepared in Accordance with GASB-34

For the Year Ended
March 31, 2004

AUDITING PROCEDURES REPORT

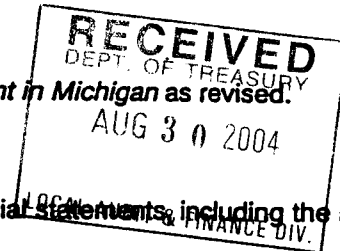
Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Name (Specify) <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other Gourley		County Menominee
Audit Date 03-31-04	Opinion Date 05-28-04	Date Accountant Report Submitted to State: 06-30-04

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.




We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			X
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) CARL R. SORENSEN, CPA			
Street Address 844 PIERCE AVE PO BOX 225	City MARINETTE	State WI	ZIP 54143
Accountant Signature 			

Gourley Township

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Carl R. Sorensen

Certified Public Accountant

844 Pierce Avenue
"In The Northern Building"
P.O. Box 225

Marinette, Wisconsin 54143
Phone 715-735-9021
Fax 715-735-7116

INDEPENDENT AUDITOR'S REPORT

Town Board
Gourley Township
Menominee County, Michigan

I have audited the accompanying general purpose financial statements of the Governmental Activities, each Major Fund and the Aggregate Remaining Fund Information of Gourley Township, Menominee County, Michigan, for the year ended March 31, 2004, as listed in the table of contents. These general purpose financial statements are the responsibility of the Township's board. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

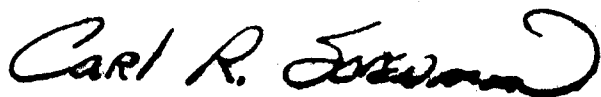
In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the Governmental Activities, each major fund and the aggregate remaining fund information of Gourley Township, Menominee County, Michigan, as of March 31, 2004, and the respective changes in financial position thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplemental Information

The Management's discussion and analysis and budgetary comparison information on pages 2 through 4 and page 16 is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. I have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, I did not audit the information and express no opinion on it.

Other Supplemental Information

My audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying information identified in the table of contents as supplemental information is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements of the Gourley Township and in my opinion is fairly stated in all material respects in relation to the financial statements taken as a whole.



May 28, 2004

Gourley Township

Management's Discussion and Analysis for the Year Ended March 31, 2004

This section of Gourley Township's annual financial report presents our discussion and analysis of the Township's financial performance during the year ended March 31, 2004. It is to be read in conjunction with the Township's financial statements, which immediately follow. This is a requirement of the Governmental Accounting Standards Board Statement No. 34 (GASB-34) *Basic Financial Statements and Managements Discussion and Analysis for State and Local Governments* and is intended to provide the financial results for the fiscal year ending March 31, 2004. This is the first year of GASB-34 implementation. As a result the financial report is presented very differently than previous years. Because this is the first year of implementation of GASB Statement No. 34, prior-year data is not available but will be provided in subsequent years for comparative purposes.

Using This Annual Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Gourley Township financially as a whole. The *Government-Wide Financial Statements* provide information about the activities of the whole Township, presenting both an aggregate view of the Township's finances and a longer term view of those finances. The fund financial statements provide the next level of detail. For Governmental activities, these statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements look at the Township's operations in more detail than the Township wide financial statements by providing information about the Township's most significant funds - the General Fund and Fire Fund. The remaining statement, the statement of fiduciary net assets presents financial information about activities for which the Township acts solely as an agent for tax collection.

Fund Financial Statements

The fund level financial statements are reported on a modified accrual basis. Only those assets that are "measurable" and "currently available" are reported. Liabilities are recognized to the extent that they are normally expected to be paid with current financial resources.

In the fund financial statements, purchased capital assets are reported as expenditures in the year of acquisition. No asset is reported. The issuance of debt is recorded as a financial resource. The current year's payments of principle and interest on long term obligations are recorded as expenditures. Future years' debt obligations are not recorded.

Government-Wide Financial Statements

The Government-Wide financial statements are full accrual basis statements. They report all of the Township's assets and liabilities, both short and long term, regardless if they are "currently available" or not. Capital assets and long term obligations of the Township are reported in the Statement of Net Assets of the Government-Wide financial statements.

The Township as Trustee - Reporting the Township's Fiduciary Responsibilities

The Township is the trustee or fiduciary for its tax collection fund. All of the Township's fiduciary activities are reported in separate statements of fiduciary net assets. The Township is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Gourley Township

Management's Discussion and Analysis for the Year Ended March 31, 2004

Summary of Net Assets

The following summarizes the net assets at fiscal year ended March 31, 2004.

	<u>Governmental Activities</u>
Assets	
Current assets	\$ 344,122
Capital assets - net of accumulated depreciation	<u>55,873</u>
Total Assets	<u>\$ 399,995</u>
Liabilities	
Current liabilities	\$ -
Long term liabilities	-
Total Liabilities	<u>-</u>
Net Assets	
Net Assets Invested in capital assets, net of related debt	55,873
Unrestricted	<u>344,122</u>
Total Net Assets	<u>399,995</u>
Total Liabilities and Net Assets	<u>\$ 399,995</u>

Analysis of Financial Position

During fiscal year ended March 31, 2004, the Township's net assets increased by \$38,611. A few of the significant factors of the Township are below:

- A. The Township applied for two grants from the Hanneville 2% Grant Program.
One was for hall improvements for \$10,500 and the second one was declined.
- B. There has been considerable growth in the Township. There were 15 building permits applied for in 2003 and 2004.
- C. Looking ahead to plans for the future in Gourley Township, we are in the process of applying for another grant from Hanneville for our next project, County Road 380. This project is three years behind. There are 1.7 miles of road to be reconstructed starting in September - October and the paving will follow in 2005.

- D. The volunteer Fire Department currently has 21 members.

Last year there were a total of 23 runs, 11 mutual aid to neighboring townships and 12 in Gourley Township. This is one less than in 2002.

The Fire Department has applied for three grants this year. A grant was awarded from BIA to purchase a chain saw, ax and grass fire suits. The DNR Grant was awarded to purchase two radios and four pagers and finally, the Hanneville 2% Grant was awarded for a thermal imaging camera. Currently, the Fire Department is working on a FEEMA Grant to purchase a new pumper truck for the Township.

Gourley Township

Management's Discussion and Analysis for the Year Ended March 31, 2004

Results of Operations

For the fiscal year ended March 31, 2004, the Township results of operations is as follows:

	<u>March 31, 2004</u>
Revenue	
Property taxes levied for general operations	\$ 13,779
Property taxes levied for fire services	27,215
State of Michigan aid	31,897
Other general revenues	<u>33,070</u>
Total Revenue	<u>105,961</u>
Expenses	
General Government	38,290
Public safety	28,510
Public works	<u>550</u>
Total Expenses	<u>67,350</u>
Increase in Net Assets	38,611
Beginning Net Assets	<u>361,384</u>
Ending Net Assets	<u>\$ 399,995</u>

Original vs. Final Budget

An original General Fund and Fire Fund Budget was prepared and amended on March 1, 2004. The amended changes were made to line items in the General Fund Government Expenses.

Actual results were better than expected as road work was not exceeded as budgeted.

Net Investments In Capital Assets

The Township's investment in capital assets increased \$15,773. This can be summarized as follows:

	Balance <u>April 1, 2003</u>	Additions	Disposals	Balance <u>March 31, 2004</u>
Land	\$ 10,000	\$ -	\$ -	\$ 10,000
Buildings	96,536	14,985	-	111,521
Equipment	<u>169,713</u>	<u>11,923</u>	-	<u>181,636</u>
	276,249	26,908	-	303,157
Less: Accumulated Depr.	<u>(236,149)</u>	<u>(11,135)</u>	-	<u>(247,284)</u>
Net Assets	<u>\$ 40,100</u>	<u>\$ 15,773</u>	<u>\$ -</u>	<u>\$ 55,873</u>

The building additions were improvements to the Town Hall and equipment was for Fire Department purchases.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens and taxpayers with a general overview of the Township's finances. If you have questions about this report or need additional information, contact the Town Hall.

Gourley Township

Statement of Net Assets for the Year Ended March 31, 2004

	Governmental Activities
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 339,672
Due from other Governmental units	4,388
Due from fiduciary funds	62
Total Current Assets	<u>344,122</u>
Non-Current Assets	
Capital assets	303,157
Less accumulated depreciation	<u>247,284</u>
Total Non-Current Assets	<u>55,873</u>
Total Assets	<u>\$ 399,995</u>
LIABILITIES	
Current Liabilities	
Accounts payable	\$ <u> </u>
Total Current Liabilities	<u> </u>
Net Assets	
Net assets invested in capital assets, net of related debt	55,873
Unrestricted	<u>344,122</u>
Total Net Assets	<u>399,995</u>
Total Liabilities and Net Assets	<u>\$ 399,995</u>

Gourley Township

Statement Activities
for the Year Ended March 31, 2004

		<u>Program Revenue</u>		<u>Governmental</u>
				<u>Activities</u>
	<u>Expense</u>	<u>Charges</u>	<u>Operating</u>	<u>Net (expense)</u>
		<u>for</u>	<u>Grants</u>	<u>Revenue and</u>
		<u>Service</u>		<u>Change in</u>
				<u>Net Assets</u>
FUNCTIONS/PROGRAMS				
Governmental Activities:				
General Government	\$ 38,290	\$ 2,010	\$ 31,897	\$(4,383)
Public safety	28,510	-	25,519	(2,991)
Public works	550	-	-	(550)
Total Governmental Activities	<u>\$ 67,350</u>	<u>\$ 2,010</u>	<u>\$ 57,416</u>	(7,924)

GENERAL REVENUES

Taxes

Property taxes, levied for general operations	13,779
Property taxes, levied for fire service	27,215
Interest and investment earnings	5,541
Total General Revenue	<u>46,535</u>

Changes in Net Assets

Net Assets:

Beginning of Year	361,384
End of Year	<u>\$ 399,995</u>

Gourley Township
Balance Sheet
Governmental Funds
for the Year Ended March 31, 2004

	<u>General</u>	<u>Fire</u>	<u>Other Governmental Units</u>	<u>Total</u>
ASSETS				
Cash and cash investments	\$ 255,684	\$ 83,988	\$ -	\$ 339,672
Due from other Governmental units	1,472	2,916	-	4,388
Due from other funds	62	-	-	62
Total Assets	<u>257,218</u>	<u>86,904</u>	<u>-</u>	<u>344,122</u>
 LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 FUND BALANCES				
Designated for roads	22,795	-	-	22,795
Designated for truck	-	18,500	-	18,500
Undesignated	<u>234,423</u>	<u>68,404</u>	<u>-</u>	<u>302,827</u>
Total Fund Balance	<u>257,218</u>	<u>86,904</u>	<u>-</u>	<u>344,122</u>
 TOTAL LIABILITIES AND FUND BALANCES				
	<u>\$ 257,218</u>	<u>\$ 86,904</u>	<u>\$ -</u>	<u>\$ 344,122</u>

Gourley Township
Governmental Funds
Reconciliation of Balance Sheet of Governmental Funds to Net Assets
for the Year Ended March 31, 2004

Total Fund Balances - Governmental Funds	\$ 344,122
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*Amounts reported for Governmental Activities in the statement
of net assets are different because:*

Capital assets used in Governmental assets	303,157
Accumulated depreciation	<u>(247,284)</u>

Net Assets of Governmental Activities	<u>\$ 399,995</u>
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Gourley Township
Combined Statement of Revenues, Expenditures and Changes
in Fund Balance - Governmental Fund
for the Year Ended March 31, 2004

	<u>General</u>	<u>Fire</u>	<u>Other Governmental Units</u>	<u>Total</u>
REVENUE				
Taxes	\$ 13,779	\$ 27,215	\$ -	\$ 40,994
State grants	31,897	-	-	31,897
Interest and rents	4,498	1,043	-	5,541
Local unit contributors	10,500	15,019	-	25,519
Other revenue	2,010	-	-	2,010
Total Revenues	<u>62,684</u>	<u>43,277</u>	<u>-</u>	<u>105,961</u>
EXPENDITURES				
General Government	37,915	-	-	37,915
Public safety	-	17,750	-	17,750
Public works	550	-	-	550
Capital outlay	14,985	11,923	-	26,908
Total Expenditures	<u>53,450</u>	<u>29,673</u>	<u>-</u>	<u>83,123</u>
Excess of Revenues Over (Under) Expenditures	9,234	13,604	-	22,838
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total Other Finance Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	9,234	13,604	-	22,838
Fund Balances April 1	<u>247,984</u>	<u>73,300</u>	<u>-</u>	<u>321,284</u>
Fund Balances March 31	<u>\$ 257,218</u>	<u>\$ 86,904</u>	<u>\$ -</u>	<u>\$ 344,122</u>

Gourley Township
Reconciliation of the Statement of Revenue, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
for the Year Ended March 31, 2004

Net Change in Fund Balances - Total Governmental Funds	\$ 22,838
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Amounts reported for Governmental Activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures in the statement of activities, these costs are allocated over their estimated useful lives as depreciation.

Depreciation expense	(11,135)
Capital outlay	<u>26,908</u>

Changes in Net Assets of Governmental Activities	<u>\$ 38,611</u>
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Gourley Township
Statement of Fiduciary Net Assets
Fiduciary Funds
for the Year Ended March 31, 2004

	<u>Agency Fund Student Activities</u>
ASSETS	
Cash and cash equivalents	<u>62</u>
Total Assets	<u>\$ 62</u>
 LIABILITIES	
Due to other funds	<u>62</u>
Total Liabilities	<u>\$ 62</u>

GOURLEY TOWNSHIP
Notes to Financial Statements
March 31, 2004

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Gourley Township is incorporated under the laws of the State of Michigan. The Township operates under an elected board. The Township provides the services of Fire Protection and General Administrative Services. The accounting policies of Gourley Township conform to generally accepted accounting principles as applicable to governmental units.

A. Government-Wide and Fund Financial Statements

The Government-Wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary Government. For the most part, the effect of Interfund activity has been removed from these statements. Governmental activities which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities which rely to a significant extent on fees and charges for support. All the Town's Government-wide activities are considered Governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenue includes (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the intergovernmental payments and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for Governmental funds and fiduciary funds even though the latter are excluded from the Government-wide financial statements. Major individual Governmental funds are reported as separate columns in the fund financial statements.

GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial transactions not accounted for in another fund, including the general operation expenditures of the local unit. Revenues are derived primarily from Property Taxes, State Grants and Other Intergovernmental Revenues.

Special Revenue Funds

These funds are used to account for specific governmental revenues requiring separate accounting because of legal or regulatory provisions or administrative action.

FIDUCIARY FUND

Trust and Agency Funds

The fiduciary fund is used to account for assets held as an agent for others.

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation
Government-Wide Statements

The Town's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of interfund activity has been eliminated from the Government-wide financial statements.

GOURLEY TOWNSHIP
Notes to Financial Statements
March 31, 2004

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation
Government-Wide Statements (continued)

Accounts reported as program revenue include (1) charges to customers or applicants for goods, services or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes and State aid.

Fund Based Statements

Governmental fund financial statements are reported using the current financial measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred as under accrual accounting.

Property taxes, State aid, intergovernmental grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the Government.

The fiduciary fund statement is also reported using the economic resources measurement focus and the accrual basis of accounting.

C. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the Township. State statutes authorize the governing body of a Township to invest surplus funds in direct obligations of the United States Treasury, in deposit and savings accounts of any Federally insured bank, savings and loan or credit union, commercial paper, United States repurchase agreements, bankers' acceptance of U.S. banks, in certain mutual funds and in investment pools.

Investments are reported at fair value which is determined using select basis. Short-term investments are reported at cost which approximates fair value; securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amounts which reasonably estimate fair value.

D. Inventories

Inventories of supplies are considered to be immaterial and are not recorded.

E. Fund Balance Designations

The Township classifies its Fund Balances as follows:

- 1.) Designations of fund balance represent tentative plans by the Township for financial resource utilization in a future period as documented in the minutes or budgeting process for a succeeding year.
- 2.) Undesignated fund balance indicates that portion of fund balance which is available for use in future periods.

GOURLEY TOWNSHIP
Notes to Financial Statements
March 31, 2004

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Budget Basis of Accounting

Budgets are annually adopted on the modified accrual basis of accounting. The original budgets were amended March 1, 2004 and is presented in the accompanying financial statements.

The Township follows these procedures in establishing the budgetary data reflected in the financial statements.

- 1.) Prior to March 1, the Clerk submits to the Council a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them.
- 2.) Public hearings are conducted to obtain tax payers' comments.
- 3.) Prior to April 1, the budget is legally enacted.
- 4.) The Township Board may authorize transfer budget amounts between departments within any fund and any revisions that alter the total expenditures of any fund.
- 5.) Formal budgetary integration is employed as management control device during the year for the General Fund and Special Revenue Funds.

G. Capital Assets

Capital assets which include land, buildings, equipment and vehicles are reported in the applicable Governmental column in the Government-wide financial statements. Capital assets are defined by the Government as assets with an initial individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs of normal repair and maintenance that do not add to the value or materially extended asset life are not capitalized.

Buildings and equipment are depreciated using the straight-line method over the following useful lives:

Buildings and additions	20 - 60 years
Vehicles and other equipment	05 - 10 years

Prior to April 2003, Governmental Funds Capital Assets were accounted for in the General Fixed Assets account group and were not recorded directly as a part of any individual funds financial statements. Infrastructure of Governmental Funds was not previously capitalized. Upon implementing GASB 34 Governmental units are required to account for all capital assets including infrastructure in the Government-wide statements prospectively from the date of implementation. For the year ended March 31, 2004, the Town had no infrastructure additions in its Governmental fund types.

H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimated.

GOURLEY TOWNSHIP
Notes to Financial Statements
March 31, 2004

NOTE 2 CASH AND INVESTMENTS

Cash

The Township maintains various cash accounts that are available for use by all funds. Each fund's portion of these accounts are displayed on the combined balance sheet as "cash." The carrying amount of the Townships cash totaled \$339,672.

Deposits in the bank are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$100,000 for demand deposits and \$100,000 for time deposits. At year end, the bank balance of the Township's deposits total \$340,716. Of this amount \$331,097 was covered by FDIC Insurance and \$9,619 was uninsured and uncollateralized.

Investments

The Township had no investments at March 31, 2004.

NOTE 3 PROPERTY TAXES

The Township's annual property tax on real and personal property within the Township is levied on December 1, and is based on assessed valuation of property as of the preceding December 31 of \$8,291,641 and mileage of 4.30. Assessed valuation, which is required by law to be 50% of current market value, is established by the Township and is subject to possible equalization by the State. In addition to collecting their own taxes, the Township also acts as collection agent for all overlapping governments in the Township, which includes school districts and the County.

NOTE 4 CAPITAL ASSETS

The changes in capital assets are as follows:

	<u>Balance</u> <u>April 1, 2003</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>March 31, 2004</u>
Land	\$ 10,000	\$ -	\$ -	\$ 10,000
Buildings	96,536	14,985	-	111,521
Equipment	169,713	11,923	-	181,636
	276,246	26,908	-	303,157
Less: Accumulated Depreciation	(236,149)	(11,135)	-	(247,284)
Net Assets	<u>\$ 40,100</u>	<u>\$ 15,773</u>	<u>\$ -</u>	<u>\$ 55,873</u>

Depreciation expenses were charged to funds as follows:

General	\$ 375
Fire	10,760
	<u>\$ 11,135</u>

GOURLEY TOWNSHIP
Notes to Financial Statements
March 31, 2004

NOTE 5 INTERFUND RECEIVABLES AND PAYABLES

The amounts of Interfund receivables and payables are as follows:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Fund</u>	<u>Interfund Payable</u>
General	\$ <u>62</u>	Tax Collection	\$ <u>62</u>

NOTE 6 RISK MANAGEMENT

The Townships Risk Management activities are recorded in the General Fund. Significant losses are covered by commercial insurance. For these insured programs there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the three prior years.

NOTE 7 TOTAL - MEMORANDUM ONLY

The combined financial statements of fund types present total columns for the year ended March 31, 2004, which aggregate the columnar statements by fund type. These columns are presented only for comparative purposes and should not be construed as presenting consolidated financial information.

REQUIRED SUPPLEMENTAL INFORMATION

GOURLEY TOWNSHIP
Combined Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Year Ended March 31, 2004

REVENUES:	Original Budget	Final Budget	Actual
Taxes	\$ 12,321	\$ 12,321	\$ 13,779
State grants	33,000	33,001	31,897
Interest and rents	5,000	5,000	4,498
Local unit contributions	-	-	10,500
Other revenue	<u>1,435</u>	<u>1,435</u>	<u>2,010</u>
Total Revenues	51,756	51,756	62,684
EXPENDITURES:			
General government	39,867	39,867	37,915
Public safety	-	-	-
Public works	10,800	10,800	550
Capital outlay	<u>1,000</u>	<u>1,000</u>	<u>14,985</u>
Total Expenditures	<u>51,667</u>	<u>51,667</u>	<u>53,450</u>
Excess of Revenues Over (Under) Expenditures	89	89	9,234
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	89	89	9,234
FUND BALANCES, April 1	<u>247,984</u>	<u>247,984</u>	<u>247,984</u>
FUND BALANCES, March 31	<u>\$ 248,073</u>	<u>\$ 248,073</u>	<u>\$ 257,218</u>

GOURLEY TOWNSHIP
Combined Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Fire Fund
Year Ended March 31, 2004

REVENUES:	Original Budget	Final Budget	Actual
Taxes	\$ 24,615	\$ 24,615	\$ 27,215
State grants	-	-	-
Interest and rents	700	700	1,043
Local unit contributions	-	-	15,019
Other revenue	-	-	-
Total Revenues	25,315	25,315	43,277
EXPENDITURES:			
General government	-	-	-
Public safety	20,783	20,783	17,750
Public works	-	-	-
Capital outlay	4,302	4,302	11,923
Total Expenditures	25,085	25,085	29,673
Excess of Revenues Over (Under) Expenditures	230	230	13,604
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	230	230	13,604
FUND BALANCES, April 1	73,300	73,300	73,300
FUND BALANCES, March 31	\$ 73,530	\$ 73,530	\$ 86,904

OTHER SUPPLEMENTAL INFORMATION

Gourley Township

Detail Schedule of General Fund Revenues for the Year Ended March 31, 2004

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Taxes			
Current	\$ 10,000	\$ 10,000	\$ 10,862
Delinquent	1,000	1,000	1,129
Swamp and CFR	<u>1,321</u>	<u>1,321</u>	<u>1,799</u>
	12,321	12,321	13,790
 State Grants			
Revenue sharing	33,000	33,000	31,897
 Interest and Rents			
Interest	5,000	5,000	4,428
Rent	<u>—</u>	<u>—</u>	<u>70</u>
	5,000	5,000	4,498
 Local Unit Contributions			
Grants	—	—	10,500
 Other Revenue			
Administrative fee	1,375	1,375	1,321
Miscellaneous	<u>60</u>	<u>60</u>	<u>689</u>
	<u>1,435</u>	<u>1,435</u>	<u>2,010</u>
	<u>\$ 51,756</u>	<u>\$ 51,756</u>	<u>\$ 62,695</u>

Gourley Township

Detail Schedule of General Fund Expenditures for the Year Ended March 31, 2004

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
General Government			
Clerk	\$ 4,430	\$ 4,430	\$ 4,337
Treasurer	5,580	5,580	5,249
Supervisor	5,500	5,500	5,565
Hall custodian	1,000	1,000	1,000
Trustees	2,450	2,450	2,400
Payroll tax	1,500	1,500	1,340
Board of review	600	600	524
Utilities	2,944	3,355	2,555
Dues	449	418	386
Advertising	200	102	102
Tax roll expense	1,410	1,410	1,410
Insurance	4,500	4,793	4,793
Assessor fees	5,513	5,513	5,513
Other	<u>3,791</u>	<u>3,216</u>	<u>2,741</u>
	39,867	39,867	37,915
Public Works			
Roads and bridges	10,600	10,600	480
Fire and road signs	<u>200</u>	<u>200</u>	<u>70</u>
	10,800	10,800	550
Capital Outlay			
Hall improvements	<u>1,000</u>	<u>1,000</u>	<u>14,985</u>
	<u>1,000</u>	<u>1,000</u>	<u>14,985</u>
	<u>\$ 51,667</u>	<u>\$ 51,667</u>	<u>\$ 53,450</u>